



Show Notes

Season 4, Episode 5:

Pricing your work – different methods and what works for us

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What's in this episode?

Hosts Rachel Smith from [Rachel's List](#) and journalist and content creator [Lynne Testoni](#) talk about types of pricing and when to use them.

Pricing... by the word

- More common with editors / publishers
- Try and negotiate on word rates, you may be surprised at the wiggle room if an editor really wants your story or to work with you
- Say, 'I'd normally get X per word for a piece of this complexity – any room to move in the budget on your word rate?' to start the convo
- Choose a word rate you won't go below (for us it's 50c/word)

Pricing... by the hour

- Not a favourite with freelancers as it can be messy, involve time sheets which are clunky and annoying AND time consuming
- Can work for small jobs
- If you have to charge by the hour make sure you charge a higher amount to cover super and tax
- For bitsy tasks offer the client an 'hours bank' option

Pricing... by the day

- Common with agencies, they will often want your 'day rate' and it's good to have it ready to quote (work it out using our [pay rates report](#) if you don't have a set day rate)

Pricing... by the value

- Value-based pricing often talked about in freelancer groups
- Involves estimating a percentage of the value of your work may bring to the client in sales / business / leads etc
- Something to keep in mind if you're working on products with high profit margins



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- Can be lots of risks if a campaign doesn't do well (or there's a global pandemic!)
- Only do this if it's your area of speciality and you know the market well

Pricing... by the project

- You cost out the project according to the brief and charge a flat fee
- Itemise each variable / deliverable in a contract to the client
- Protects you against scope creep
- Work it out based on your 'internal' hourly fee

Pricing... by retainer

- Holy grail of pricing for many freelancers
- Great if you're doing the same bulk of work for a client each month
- Means you get to know the clients tone / business very well
- Can be a great way to cover part of your expenses each month and plug the gaps with other work – good peace of mind
- Definitely need a contract!
- More info in [this blog post](#)

SPECIAL OFFER!

Check out the contract templates and agreements at Rachel's List – they're easy to modify and send off when you're pricing a project. And as a special thank you to our podcast listeners we're giving you 20% off all our templates in the Toolkit with the code BYTE20 until the end of July 2020.

That's it for this episode. Hope you enjoyed it!

Cheers,
Rachel and Lynne